

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 AID-05 CIAE-00 EB-08 FRB-01 INR-10

NSAE-00 ICA-20 TRSE-00 XMB-04 OPIC-06 SP-02

LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-07 CEA-01

/105 W

-----130917 141813Z /47

R 131932Z APR 78

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 8875

USDOC WASHDC

INFO AMEMBASSY BOGOTA

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMEMBASSY LA PAZ

AMEMBASSY LIMA

AMEMBASSY QUITO

UNCLAS SANTIAGO 2756

EO 11652: NA

TAGS: BEXP, ETRD, ETEL, CI

SUBJ: CHILE LIFTS BAN ON IMPORTS OF COLOR TV SETS - U.S. COLOR TV

SYSTEM, M/NTSC OF 525 LINES, OFFICIALLY ADOPTED

1. THROUGH PUBLICATION IN THE DIARIO OFICIAL ON APRIL 12, THE GOC QUIETLY ANNOUNCED THE LIFTING OF THE BAN ON IMPORTATION OF COLOR TV SETS, EFFECTIVE IMMEDIATELY. THE DECREE OF THE MINISTRY OF TRANSPORTATION AND TELECOMMUNICATIONS FURTHER STIPULATED THAT M/NTSC, 525 LINES, IS THE OFFICIAL COLOR TV SYSTEM FOR CHILE.

2. IN A SEPARATE DECREE A SPECIAL TAX OF 30 PERCENT WAS ADDED ON IMPORTS OF COLOR TV SETS. THIS TAX WILL BE APPLIED TO THE CIF (LANDED COST) OF THE SET, PLUS THE IMPORT DUTY. (CURRENTLY 22 PERCENT BUT SCHEDULED FOR REDUCTION TO 10 PERCENT BY MID-1979), PLUS THE VALUE ADDED TAX OF 20 PERCENT. THUS UNCLASSIFIED

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A CIF BASE PRICE OF 100 QUICKLY BECOMES 190.32 IN CHILE, NOT INCLUDING ANOTHER 10 PERCENT OR MORE (ON CIF) IN TAXES AND CUSTOMS BROKERS FEES PAYABLE ON CLEARANCE THROUGH CUSTOMS. FOR U.S. COLOR TELEVISION MANUFACTURERS, THIS MEANS A LANDED COST FOR CHILEAN DEALERS OF WELL OVER TWICE THE FOB EXPORT PRICE. THE SAME FORMULA APPLIES FOR THE COMPETITION, HOWEVER, AND BECOMES

SLIGHTLY MORE FOR THOSE WITH HIGHER TRANSPORTATION COSTS
THAN FROM THE U.S.

3. COMMENT: ALTHOUGH THE TIMING OF THIS MOVE HAS NOT
BEEN ANTICIPATED IN BUSINESS CIRCLES, THE ADOPTION OF THE U.S.
STANDARD FOR COLOR TV COMES AS NO SURPRISE. INVESTMENT
ALREADY IN PLACE ALMOST RULED OUT SELECTION OF ANOTHER
SYSTEM, AS THOUSANDS OF MIDDLE AND UPPER CLASS CHILEANS
ALREADY HAVE RECEIVERS FOR U.S. STANDARD TRANSMISSION.
MOST HAVE BEEN BROUGHT INTO THE COUNTRY BY CHILEANS
RETURNING FROM ABROAD. IN ADDITION, ALL FOUR OF CHILE'S
TV CHANNELS ALREADY HAVE SOME NTSC TRANSMISSION EQUIPMENT

4. FOR USDOC. WE RECOMMEND IMMEDIATE NOTIFICATION OF
U.S. COLOR TV SET MANUFACTURERS OF THIS SALES OPPORTUNITY.
WE DO NOT SUGGEST THAT THE MARKET IS DEEP; RATHER THAT
LOCAL DEALERS WITH THE FIRST COLOR TV SETS AVAILABLE FOR
IMMEDIATE DELIVERY WILL HAVE BIG SALES ADVANTAGE.
AFTER THE INITIAL PENT-UP DEMAND IS SATISFIED WE
ANTICIPATE A SLOWER BUT CONTINUING FLOW OF COLOR TV SET SALES.
EARLY AVAILABILITY OF U.S. BRANDS IN THE CHILEAN MARKET
COULD ALSO INFLUENCE MARKET SHARE WELL INTO THE FUTURE. IN
ADDITION, THE TV STATIONS ARE LIKELY BUYERS OF MORE COLOR
TRANSMISSION EQUIPMENT SUCH AS MOBILE UNITS AND TELECINE
EQUIPMENT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TELEVISION, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SANTIA02756
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780161-0260
Format: TEL
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780459/aaaabxrb.tel
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
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Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2973267
Secure: OPEN
Status: NATIVE
Subject: CHILE LIFTS BAN ON IMPORTS OF COLOR TV SETS - U.S. COLOR TV SYSTEM, M/NTSC OF 525 LINES, OFFICIALLY ADOPTED
TAGS: BEXP, ETRD, ETEL, CI
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a65ca1b0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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